

# AFFORDABLE HOUSING -is- OUR BUSINESS

*A self-supporting public agency, the North Carolina Housing Finance Agency leverages state and federal resources with private funds to finance nearly \$2 billion in real estate activity annually—meeting critical housing needs and putting North Carolinians to work in communities statewide.*

The Agency is a nationally recognized leader in encouraging affordable housing opportunities for families, workers, seniors, veterans and persons with disabilities. By employing public-private partnerships, we maximize state and federal resources with capital, ideas and know-how from hundreds of partners each year.

The Agency provides financing through the sale of tax-exempt bonds and mortgage-backed securities and the management of federal tax credit programs, the federal HOME Program, the state Housing Trust Fund and other federal and state programs.



*Using these resources and its own earnings, the Agency:*



Offers low-cost mortgages, down payment assistance and Mortgage Credit Certificates for qualified buyers



Finances affordable homes and apartments developed by local governments, nonprofits and private developers



Finances the development of supportive housing



Finances the rehabilitation of substandard owner-occupied homes to prevent displacement



Provides foreclosure prevention services in partnership with housing counseling agencies approved by the US Department of Housing and Urban Development



Administers rent assistance contracts (including Section 8, the Transitions to Community Living Voucher and Key) for 31,500 privately owned apartments



***Read on to learn more and to partner with us.***

NORTH CAROLINA HOUSING FINANCE AGENCY INVESTMENTS

PROGRAM	TYPE	AUDIENCE	GOAL	ELIGIBLE BENEFICIARIES	FINANCIAL ASSISTANCE*
Self-Help Loan Pool		Self-Help Housing Nonprofits (usually Habitat for Humanity affiliates)	Provides affordable mortgages.	Home buyers earning up to 80% of area median income purchasing a home from loan pool members.	Up to \$35,000 combined with SHLP nonprofit member financing to provide a single, interest-free amortizing loan with a 20-33-year term.
Community Partners Loan Pool		Local Governments and Nonprofits	Provides down payment assistance.	Home buyers earning up to 80% of area median income with sufficient credit purchasing a home through a loan pool member.	Interest-free, deferred second mortgages up to 20% of purchase price when combined with a NC Home Advantage Mortgage™ or up to 10% when combined with a USDA Section 502 loan with term matching first mortgage not to exceed \$30,000. Can be used with other loans.
NC Home Advantage Mortgage™		Home Buyers	Provides affordable mortgage options and forgivable down payment assistance.	First-time and move-up home buyers, including veterans, earning up to \$87,500 with a credit score of 640 or higher and conventional, FHA, USDA or VA eligible first mortgages.	30-year fixed-rate mortgages provided through participating lenders statewide; deferred, forgivable second mortgages of 3% or 5% of first mortgage amount with 15-year term.
NC 1st Home Advantage Down Payment		Home Buyers	Provides down payment assistance.	First-time home buyers and veterans (sales price and income limits apply) using the NC Home Advantage Mortgage™.	Deferred, forgivable second mortgages of \$8,000 with 15-year term.
NC Home Advantage Tax Credit		Home Buyers	Provides Mortgage Credit Certificates (MCCs) to increase mortgage affordability.	First-time home buyers and veterans (sales price and income limits apply); must be approved for MCC prior to closing.	Federal tax credit (can be combined with the NC Home Advantage Mortgage™) that reduces federal tax liability by up to 30% of mortgage interest for existing homes or up to 50% of mortgage interest for new construction annually (cannot exceed \$2,000 per year).
Essential Single-Family Rehabilitation Loan Pool		Local Governments, Nonprofits and Regional Councils	Provides essential and critical home rehabilitation.	Homeowners earning up to 80% of area median income who are elderly, disabled and/or qualified veterans or live in homes with children under 6 exposed to lead.	Assistance offered through local government or nonprofit partners. Provides interest-free, deferred loans to eligible recipients; partners receive at least \$175,000 each and may use up to \$25,000 per unit for construction.
Essential Single-Family Rehabilitation Loan Pool—Disaster Recovery		Local Governments Nonprofits and Regional Councils	Provides essential rehabilitations in response to damage from Hurricane Matthew and Tropical Storms Julia and Hermine.	Homeowners earning up to 100% of area median income whose homes were affected by the named storms in counties listed in the Disaster Recovery Act of 2016.	Assistance offered through local government or nonprofit partners. Provides interest-free, deferred loans to eligible homeowners; partners receive at least \$150,000 each, with the option to apply again once funds are spent, and may use up to \$40,000 per home for rehabilitation.
Urgent Repair Program		Local Governments, Nonprofits and Regional Councils	Provides emergency repairs and modifications to address imminent threats to health or safety.	Homeowners, including veterans, earning up to 50% of area median income who are elderly, disabled, and/or have other eligible special needs.	Assistance offered through local government or nonprofit partners. Provides interest-free, deferred loans to eligible recipients; partners receive up to \$200,000 each (if they serve two or more counties), \$100,000 each (if they serve one county), or \$50,000 each (if they serve large entitlement cities), and may use up to \$8,000 per homeowner.
Displacement Prevention Partnership		NC Division of Vocational Rehabilitation and Independent Living Offices	Provides repairs and modifications to improve home accessibility for people with mobility issues.	Homeowners with disabilities, including veterans, earning up to 50% of area median income.	Assistance offered through local Independent Living Rehabilitation Services offices. Provides interest-free, deferred loans to eligible recipients; area offices may use up to \$8,000 per homeowner.
NC Foreclosure Prevention Fund		Homeowners	Helps homeowners who are struggling with their mortgages.	Homeowners experiencing no-fault job loss or other temporary financial hardship; who are now earning less or on a fixed income after a financial hardship; or who are veterans transitioning to civilian life owing \$300,000 or less on all mortgages.	Interest-free, deferred loans to make mortgage payments while homeowner recovers from a hardship and finds new employment or to reduce monthly payments for homeowners who are earning less or on a fixed income.
State Home Foreclosure Prevention Project		Homeowners	Provides free counseling and legal services to homeowners facing foreclosure.	Homeowners who have received a 45-day pre-foreclosure notice.	N/A
Housing Credits		Developers	Finances development and substantial rehabilitation of affordable rental housing.	Rental developers eligible per NC's Qualified Allocation Plan to provide housing to households with incomes up to 60% of area median income; 10–20% of all rental apartments are reserved for the Targeting Program**.	Federal Low-Income Housing Tax Credit reduces investors' federal tax liability by up to 9% of eligible project costs each year for 10 years.
Workforce Housing Loan Program		Developers	Provides long-term financing for Housing Credit developments.	Rental developers eligible per NC's Qualified Allocation Plan to provide housing to households with incomes up to 60% of area median income.	30-year balloon loans for a percentage of development costs based on income designations for each county.
Rental Production Program		Developers	Provides long-term financing for Housing Credit developments.	Rental developers eligible per NC's Qualified Allocation Plan to provide housing to households with incomes up to 60% of area median income.	Amortizing or deferred loans, with interest rate of 2% or lower, of up to \$800,000 per project with term up to 20 years.
Supportive Housing Development Program		Local Governments, Nonprofits and Regional Councils	Finances production of emergency and permanent supportive housing for people experiencing homelessness or with supportive housing needs.	Households earning up to 50% of area median income.	Amortizing or deferred loans up to \$700,000 or 70% of project costs for projects in non-entitlement areas (whichever is less), \$600,000 or 60% of costs in small entitlement cities, or \$500,000 or 50% of costs in large entitlement cities, term of 20–30 years.

DEFINITIONS

Entitlement cities are those that qualify as entitlement areas per HUD's definition

PROGRAM TYPES

  
Home Ownership

  
Home Rehab/Repair

  
Foreclosure Prevention

  
Rental Development

  
Supportive Housing

\* Financial assistance amounts and limits are subject to change at any time.  
\*\* The NC Department of Health and Human Services partners with the Agency in administering this program and refers persons with disabilities for the units.



# NOT JUST FINANCING

## Policy and Research

The Agency tracks housing needs and market conditions, monitors state and national housing research and policy and reports on the impact of affordable housing investments on citizens, communities and the state and local economies.

The Agency also supports the state's 5-Year Consolidated Plan, a housing and community development plan that provides details about the state's housing needs and conditions, identifies resources and establishes one- and five-year investment strategies to meet priority needs. Learn more at [www.nchfa.com/about-us/research-reporting-and-policy](http://www.nchfa.com/about-us/research-reporting-and-policy).

## Education and Training

To ensure that partners are well-versed in our programs, the Agency offers extensive education and training opportunities:

**The Housing Tax Credit Compliance Training Program** includes Compliance 101 to teach compliance basics and Advanced Compliance to inform on more complex topics.

**The Supportive Housing Compliance Training Program** explains eligibility, maintaining compliance and maintaining the condition of the property.

**Fair Housing and Reasonable Accommodation Training** is offered for rental owners and managers and community service providers.

**Lender and real estate agent trainings** are offered statewide on the NC Home Advantage Mortgage™ and its down payment assistance products as well as on the NC Home Advantage Tax Credit. Real estate agents who take these courses earn CE credits and are listed as preferred agents on the Agency website. Lenders who take these courses are listed as participating lenders on the Agency website.

More information on these classes can be found at [www.nchfa.com/events](http://www.nchfa.com/events).



A 13-member **Board of Directors** oversees the NC Housing Finance Agency, which was created by the General Assembly in 1973. The Governor, the Speaker of the NC House of Representatives and the President Pro Tempore of the NC Senate each appoint four members, who in turn elect the 13th.

**The NC Housing Partnership** sets policy for the use of the NC Housing Trust Fund, created by the General Assembly in 1987. Members are appointed by the Speaker of the NC House of Representatives and the President Pro Tempore of the NC Senate. The Agency administers the Housing Trust Fund.



The NC Affordable Housing Conference is held each fall by the NC Housing Finance Agency in partnership with Centrant Community Capital and the NC Housing Coalition. North Carolina's premier affordable housing conference, this event hosts nearly 1,000 housing professionals. Learn more at [www.NCHousingConference.com](http://www.NCHousingConference.com).



R. Gene Davis, Jr., Chair  
Scott Farmer, Executive Director



[www.nchfa.com](http://www.nchfa.com)  
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*A self-supporting public agency*

NORTH CAROLINA

**HOUSING  
FINANCE  
AGENCY**